

Revival of Trade with China

571. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Chief Minister of Andhra Pradesh has apprised the Central Government about the outcome of his visit to China, Japan and Hong Kong;

(b) if so, whether Chinese government have shown keen interest in reviving the business relation with India and to improve the trade;

(c) if so, whether any steps are being considered by Government to improve trade with China;

(d) if so, whether any agreements with China have been signed; and

(e) if so, to what extent trade between the two countries have been further increased?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) Yes Sir.

(b) Issues relating to improvement of trade and business relations were not discussed by the Chief Minister.

(c) Does not arise.

(d) No agreement with China was signed during the visit of the Chief Minister.

(e) Does not arise.

Fall in Prices of Coffee in International Market

572. SHRI J. CHITHARANJAN:

SHRI V.V. RAGHAVAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there has been a fall in prices of coffee in the international market;

(b) if so, the details thereof;

(c) whether the Association of Coffee Producing Countries (ACPC) has decided to retain 20 per cent of monthly shipments in an attempt to boost the world prices;

(d) if so, whether India is a party to this decision and implemented it; and

(e) what is quantity of coffee exports and units price during 1999-2000 and 2000-2001 and what was the percentage share of Indian Coffee exports to the world coffee exports?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) In the recent months, the international coffee prices have fallen due to surplus supply due to over production. Since nearly 80% of the coffee produced in India is exported, the industry is mainly dependent on the international coffee prices. Hence, the Indian coffee growers are not getting the same remunerative prices today as they were getting 2-3 years ago. The Coffee prices, particularly that of Robustas, in the global market are more or less at par with the cost of production levels.

(c) and (d) Yes, Sir. The Association of Coffee Producing Countries (ACPC), of which India is also a member, has introduced a Coffee Retention Plan to bring about a balance between supply and demand of coffee by advising retention 20% of exportable coffee to be exported by each producing country in order to stabilise the falling coffee prices. The Govt. of India has recently approved, in principle, India's participation in the retention scheme of the ACPC, pending finalisation of the modalities of implementation of the same by Coffee Board.

(e) India's share of exports in the global market is 4.69%. The

quantity of coffee exported during the years 1999-2000 and 2000-01 along with its unit price is given below:

| Year | Quantity (in tonnes) | Unit Value (Rs/tonne) |
|-----------|-------------------------|--------------------------|
| 1999-2000 | 2,44,744 | 77,642 |
| 2000-01* | 1,94,055 | 58,488 |

*Provisional based on export permits issued upto 14.2.2001

WTO Proposals on Agriculture

573. SHRI JIBON ROY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the newsitem which appeared in 'Northern India Patrika' of December 5, 2000, captioned "No compromise on fiscal sovereignty";

(b) whether the Chief Minister of U.P. has expressed his desire-before a News Agency to draw common strategy to face WTO threat; and

(c) whether Government would make public these provisions of WTO which have been approved and is likely to adversely affect India's agriculture?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir. In the captioned news item, the Chief Minister of U.P. is reported to have told the news agency, UNI, that he was considering convening a meeting of the northern agrarian States to evolve a common strategy to meet the challenges of the provisions of the World Trade Organisation.

(c) WTO provides a predictable Rule based multilateral trading system which protects the developing countries from the bilateral pressures of the developed trading partners. Being a fully democratic organisation, with equal voting rights to each member, India is assured of a say in the multilateral Rule making process. WTO also